

## Message Text

UNCLASSIFIED

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45

ACTION EUR-12

INFO OCT-01 ISO-00 EB-07 /020 W  
----- 073397

R 301000Z JUL 76  
FM AMEMBASSY BUDAPEST  
TO USDOC WASHDC  
INFO SECSTATE WASHDC 6546  
AMEMBASSY BUCHAREST  
AMEMBASSY WARSAW

UNCLAS BUDAPEST 2570

EO 11652: N/A  
TAGS: BEXP HU  
SUBJECT: TEXTILE MACHINERY TSS (PROPOSED)

REF: (A) USDOC 12118, (B) USDOC 12775

1. GIVEN "COOPERATION" OR LICENSING ORIENTED TSS, U.S. TEXTILE MACHINERY FIRMS COULD BENEFIT BY SEMINAR IN HUNGARY AS LOCAL INDUSTRY BEING MODERNIZED AT RAPID RATE TO INCREASE EXPORT COMPETITIVENESS. PRESENTLY 55 PERCENT OF MILLS AUTOMATED AND ABOUT 50 PERCENT OF EQUIPMENT SAID TO BE LESS THAN 15 YEARS OLD. SYNTHETIC KNITTED FABRICS RECEIVING MUCH ATTENTION, AND THIS AREA SHOULD RECEIVE EMPHASIS IN TSS. OTHER ITEMS OF INTEREST TO MAGYARS INCLUDE AUTOMATED SPINNING MACHINES AND LOOMS PLUS FABRIC FINISHING EQUIPMENT.

2. BULK OF HUNGARIAN EQUIPMENT COMES FROM CEMA COUNTRIES. MAGYARS MANUFACTURE COMPONENTS FOR CEMA CO-OP LOOMS AND RECEIVE FINISHED LOOMS IN RETURN. ABOUT 17 BILLION FORINTS BEING DEVOTED TO TEXTILE INDUSTRY IN CURRENT 5-YEAR PLAN. FRG, ITALY, UK AND SWITZERLAND HAVE SOLD CONSIDERABLE EQUIPMENT TO MAGYARS, BUT, AS USUAL, WITH EMPHASIS ON "COOPERATION" RATHER THAN DIRECT SALES. EVEN GRANTED ELUSIVE MFN U.S. MANUFACTURERS WOULD HAVE EXPECT COOPERATION REQUIREMENT.

3. TIMING: APRIL IS BAD MONTH FOR PROPOSED TSS DUE TO  
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OFFICIAL U.S. PARTICIPATION IN AGROMASEXPO (APRIL 15-20),

WHICH WILL TAX BEWT AND EMBASSY RESOURCES. IN ADDITION,  
APRIL 4 IS LIBERATION DAY AND APRIL 11 IS EASTER MONDAY.  
LATE MARCH THEREFORE BETTER BET FOR BUDAPEST.  
MUDD

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 30 JUL 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
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**Errors:** N/A  
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**Page Count:** 2  
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**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** hackerp0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 15 APR 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <15 APR 2004 by ThomasVJ>; APPROVED <03 JAN 2005 by hackerp0>  
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**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** TEXTILE MACHINERY TSS (PROPOSED)  
**TAGS:** BEXP, HU  
**To:** COM  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006